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monthly Newsletter for Economic Research Service Employees and Colleagues

SEMINARS PROVIDE FLOOR FOR DEBATE

ERS's National Economics Division (NED) began a series of monthly policy seminars late last year to provide a forum for debating policy issues relating to agriculture and the food system.

The sessions have given ERS staff, university researchers, and others the opportunity to hear well-known agricultural economists from universities, other research institutions, and Government agencies address a variety of topics centered around the upcoming farm bill.

About 70 people attended the first NED seminar in October 1983 as **Bruce Gardner**, University of Maryland, discussed the contents of a farm income protection report recently prepared by a Congressionally mandated special task force. Gardner detailed the ideas and alternatives discussed by the task force as they developed a possible agricultural income insurance program, outlined the problems associated with such an approach, and described the characteristics of a revenue insurance program and its feasibility as a substitute for the current target price and deficiency payment program.

In November, **Luther Tweeten**, Oklahoma State University, discussed the causes and consequences of structural changes in agriculture and possible commodity program alternatives which are probable topics of the upcoming farm bill debate. Under the heading of "Innovative Programs with Little Chance of Approval in 1985," Tweeten discussed such proposals as forward pricing, revenue insurance, mandatory controls, and two-

[Continued on page 2.]

DEAVERS CHAIRS OECD PARLEY



Deavers

Kenneth Deavers, Director of ERS's Economic Development Division (EDD), recently chaired an international meeting on local leadership and rural development. The meeting, held April 15-20 at Williamsburg, Virginia, was the third in a series of

Organization for Economic Cooperation and Development (OECD) meetings concerned with rural issues.

The Williamsburg meeting focused on three themes: rural government capacity, institutional authority, and local leadership; appropriate technology for rural governments; and information for decisionmaking by rural public authorities. The first meeting, in Paris, France, dealt with rural change and public management. The second meeting, in Senigallia, Italy, covered rural entrepreneurial capacities.

ERS Economist **Norman Reid**, Leader of the State and Local Government Section,

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UPCOMING PROFESSIONAL MEETINGS

- July 8-10 Western Agricultural Economics Association annual meeting, San Diego, Calif.
- Aug. 5-8 American Agricultural Economics Association annual meeting, Ithaca, N.Y. (joint with the Association of Environmental and Resource Economists and the Northeastern Agricultural Economics Council).
- Aug. 22-24 Rural Sociology Society annual meeting, College Station, Tex.

Seminars, from page 1.

price plans. Proposals with a greater chance of approval, according to Tweeten, center on modification of existing programs and include adopting moving average support prices and placing tighter limits on direct payments.

Attendees of the January NED policy seminar were treated to a lively and thought-provoking discussion of farm policy issues and options by **Ron Knutson**, Texas A&M University. Knutson presented his views on target price levels, loan rates, payment limits, production controls, the farmer-owned reserve, base acres and yields, and export incentives. He then identified two particularly important research needs: to evaluate the dairy cost-sharing program as a potential policy tool and to sort out the factors affecting exports such as embargoes, value of the dollar, recessions, and subsidies.

The fourth NED policy seminar provided a mix of views from three groups in the

Executive Branch involved in the agricultural policy process. **Dennis Dickstein**, Office of Management and Budget (OMB), described OMB's role in program and policy implementation and review and presented its list of important policy questions relating to the 1985 farm bill. Similarly, **Robert Thompson**, Council of Economic Advisers, and **Hazen Gale**, Department of Treasury, presented their organizations' points of view.

Other NED policy seminars will be reported on in the next issue of the **Newsletter**, including a look at **Edward Schuh's** (University of Minnesota) research on export demand elasticities and **J. B. Penn's** (Economic Perspectives, Inc.) views on future directions for food and agricultural policy.

In the meantime, the NED policy seminar series will be "on vacation" for the summer. It will resume in September. If you are interested in receiving announcements of upcoming seminars, write to NED Policy Seminars, ERS/USDA, Room 246-GHI, Washington, DC 20250-1800.

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Lee

ADMINISTRATOR'S LETTER

Let me take this opportunity to invite you to our annual reunion and luncheon. These events take place this year at the American Agricultural Economics Association's annual meeting at Cornell University in Ithaca, New York.

ERS and other USDA employees, alumni, colleagues, and their families attending the meeting are welcome and encouraged to attend.

The luncheon is Wednesday, August 8, from 12 noon to 1:30 p.m. in the Statler Inn Ballroom. You may purchase tickets at the registration area in Robert Purcell Union or by means of the mailed preregistration form (\$9.00 each). The luncheon program will feature a panel discussion on "Research on the Economics of Public Policy: Perspectives on the Roles of ERS and the Universities." The panelists will be **James Bonnen, Bruce Scherr, and Edward Schuh.**

The reunion will be in the lounge of Dorm #7 beginning at 9:00 p.m., Monday, August 6. The reunion is a chance to get together informally to make or renew acquaintances with ERS employees, alumni, and colleagues. There is no fee for this event, but there will be a cash bar.

These events are part of an expanded effort (which includes this **Newsletter**) to fully inform our staff, cooperators, and constituents about our programs and products. We have also issued four administrative reports this year to aid in our communication among staff and colleagues. Two reports, **The Economic Research Service in 1984** and **Economic Research Service: Accomplishments in 1983**, review the current program and highlights of last year's progress.

We have also released **Economic Research Service: 1983 Publications.** It lists the ERS authors, monographs, periodicals, articles, speeches, and book reviews by ERS authors released during fiscal year 1983 (October 1982 - September 1983). It also contains a subject index.

Those reports join **Economic Research Service: 1984 Plan of Work**, a detailed description of current projects and output planned for this year.

Free copies of any of the four reports may be obtained from ERS Program Analyst Susan Webb, ERS/USDA, Room 450-GHI, Washington, DC 20250-1800 (202-447-8086).

John Lee

Staff Notes

REICHELDERFER NAMED NEW LATIN AMERICA BRANCH CHIEF



Reichelderfer

Katherine Reichelderfer is the new Chief, Latin America Branch, International Economics Division. She began her career in ERS in the Natural Resource Economics Division (NRED) in 1977. In NRED, she has been Leader, Pest

Management Technology Section, and Deputy Branch Chief, Inputs and Productivity Branch.

Reichelderfer has a B.S. in biology and M.S. and Ph.D. degrees in agricultural and resource economics from the University of Maryland and has authored numerous publications. She has served as a member of the American Agricultural Economics Association (AAEA) Nominating Committee, reviewer of AAEA selected papers, member of the Panel of Experts on Integrated Pest Control of the Food and Agriculture Organization of the United Nations (FAO) and United Nations Environmental Programme, chairperson of an FAO Task Force on Integrated Pest Control Economics, and member of the Steering Committee for the AAEA Committee on Women's Opportunities in Agricultural Economics.

Reichelderfer has twice received the ERS Administrator's Special Merit Award and has also received the USDA Certificate of Merit.

HANRAHAN JOINS CONGRESSIONAL RESEARCH SERVICE

Charles Hanrahan, formerly Deputy Director of ERS's International Economics Division, has joined the

Library of Congress's Congressional Research Service as Senior Analyst (international food and agricultural policy).

Hanrahan began his career in ERS in the Demand and Trade Program Area in 1972 after receiving a Ph.D. in agricultural economics from the University of Kentucky. His work focused on trade liberalization and world food issues. He served as a member of the President's Sahel Task Force and as Staff Economist on a World Food and Nutrition Study sponsored by the National Academy of Sciences.

GRANO TO HEAD RESOURCE POLICY BRANCH

Anthony Grano is Acting Chief, Natural Resource Policy Branch, Natural Resource Economics Division (NRED). He has a Ph.D. in agricultural economics from the University of Illinois.

Grano brings to NRED's Policy Branch more than 20 years of experience in research and interagency cooperation--most recently as Leader of the Northeast Section of the River Basins Branch.

Grano's predecessor, Neill Schaller, is now Assistant Director, NRED, and coordinates NRED's policy and outlook analyses with other ERS divisions.

Deavers, from page 1.

Community Resources Branch, EDD, was commissioned by OECD to prepare a paper for the meeting on "Rural Government Capacity," free copies of which can be obtained from Reid (ERS/USDA, Room 494-GHI, Washington, DC 20250-1800).

Sociologist **Robert Lovan**, who is on a joint appointment with EDD and USDA's Extension Service, was the meeting coordinator. Missouri's Governor **Christopher Bond** was the keynote speaker.

JAMES L. PEARSON

[1927-1984]

James L. Pearson, formerly Deputy Director, National Economic Analysis Division, and Chief, North America Branch, International Economics Division, died April 25 of cancer.

At the time of his death, Pearson was Director, Market Research and Development Division, Agricultural Marketing Service, USDA. He had held that position since 1979.

A native of Kentucky, Pearson had B.S. and M.S. degrees from the University of Kentucky where he served on the agricultural economics faculty from 1953 to 1963. He joined ERS in 1964 and was assigned initially to North Carolina State University, where he received his Ph.D. Later he was stationed at the University of Florida.

STEPHEN M. RALEIGH, JR.

[1935-1984]

Stephen M. Raleigh, Economist in the Fruits, Vegetables, and Sweeteners Branch, National Economics Division, died suddenly on April 25 as a result of a cerebral hemorrhage. He had been a member of the ERS staff since 1967.

A native of Bangor, Maine, Raleigh had a B.S. in horticulture from Pennsylvania State University and an M.S. in agricultural economics from the University of Delaware.

First assigned to ERS's Horticultural and Special Crops Branch, Marketing Economics Division, Raleigh became widely known for his knowledge of ornamentals. Since 1977, he had directed his research toward computing and analyzing fruit and vegetable prices, spreads, and cost components.

Raleigh was a member of Pi Alpha Xi, an honorary floriculture fraternity. He was actively involved in civic groups, parent-teacher organizations, and the Boy Scouts in Fairfax County, Virginia.

DSC Notes

**DSC PROVIDES ELECTRONIC
COMMUNICATION HELP**

To assist ERS researchers in electronically transferring data and text, ERS's Data Services Center (DSC) has been developing interface programs that are described in "How To..." sheets which are available from the Data Resource Center, ERS/USDA, Room 147-GHI, Washington, DC 20250-1800.

ERS researchers face a confusing array of electronic communication mechanisms, considering that each of the five brands of computer and word processing hardware in ERS has unique requirements for communications. ERS also has a variety of electronic dissemination services and bulletin boards with unique methods of interfacing with other communication devices.

DSC OFFERS MICROCOMPUTER TRAINING

ERS staff are intrepidly joining the microcomputer revolution. Over 300 staff, including some managers, have taken introductory courses on personal computers (PC's). Many more have received either tutorial or on-the-job training.

ERS's Data Services Center (DSC) offers introductory courses on spreadsheets, database management, word processing, communications, statistical analysis, and graphics.

To help PC users keep current on the latest technology in this rapidly changing field, a monthly users' forum sponsored by DSC provides updates on hardware, software, and applications.

TIME-SERIES COURSE

Twenty-five ERS researchers are attending a specially designed applied time-series course. Organized by a

[Continued on page 8.]

Recent Publications

WORLD FOOD AID NEEDS TO DECLINE

Food aid needs may decline slightly in 1984/85 from the 1983/84 high. The developing countries will require 31 million tons of grain-equivalent imports in 1984/85 to maintain the status quo, of which 12 million tons must be food aid. To improve diets sufficient to meet minimum nutritional needs would, however, require 47 million tons of imports.

Countries with the greatest food aid needs to maintain the status quo are Egypt (2.8 million tons), the Philippines (1.4 million tons), and Bangladesh (526,000 tons). Needing the most food aid to meet minimum nutrition are Bangladesh (5.1 million tons), India (3.7 million tons), and the Philippines (1.7 million tons).

For more details, see **World Food Aid Needs and Availabilities**, coordinated by Ray Nightingale, which is available from the National Technical Information Service for \$16.00 (paper) and \$4.50 (microfiche). [See page 8 for ordering information.]

WORLD ECONOMIC RECOVERY BROADENS

The dollar is holding strong against major foreign currencies, which means U.S. agricultural exports will probably stay at a price disadvantage compared with competitors, at least through the summer. As economic recovery spreads around the world, trade volumes and GNP's will probably rise and inflation remain low in all regions. Those trends are beginning to benefit the developing countries by boosting demand for their exports.

Further details on that situation and others dealing with U.S. agricultural trade, world commodity developments, and regional highlights are included in the June **World Agriculture Outlook and Situation**, which is available from the



Superintendent of Documents for \$9.00 per year (4 issues). [See page 8 for ordering information.]

WORLD CROPLAND EXPANDING SLOWLY

The world's cropland has expanded at a much slower pace than population. Global population growth has declined only slightly in the past 25 years--from 2.0 percent in 1950 to 1.7 percent in 1984. Cropland expansion rates have fallen more--from 1.0 to 0.3 percent. Many countries have little if any area for cropland expansion because of already dense populations. Others with fairly abundant land area are unable to expand because of poor climates or poor quality of land.

Per capita cropland availability has dropped drastically since the 1950's, particularly in Central America, China, Iran, Mexico, North Africa, and South Asia.

Cultivated cropland could expand in Argentina, Brazil, Uruguay, and in some areas of North America, Oceania, Sub-Saharan Africa, and Southeast Asia. However, most of the future growth in agricultural output will probably continue to come from new yield-boosting technology.

For more details, see **Patterns and Trends in World Agricultural Land Use**, FAER No. 198, by Francis Urban and Thomas Vollrath, which is available from the Superintendent of Documents for \$2.00. [See page 8 for ordering information.]

WHO SHOULD HOLD THE BAG?

In recent years, a curious pattern of global interdependency has evolved where the United States holds much of the world's grain stocks and most other countries hold relatively few.

For the United States and other countries, the stocks appear to be an unintended byproduct of domestic grain policies. From a global perspective, however, the size and location of those stocks are fortuitously optimal. Any change in U.S. policy that would significantly reduce U.S. stock levels without offsetting increases in other countries could increase instability in world grain markets.

For more details, see **Global Stocks of Grain: Implications for U.S. Policy**, ERS Staff Report No. 840319, by Jerry Sharples and Carol Goodloe, which is available from the National Technical Information Service for \$10.00 (paper) and \$4.50 (microfiche). [See page 8 for ordering information.]

U.S. EXPORTS MAY RISE

U.S. agricultural exports in fiscal year 1984 (October 1983 - September 1984) are forecast at \$38 billion, up 9 percent from last year. Increased imports of horticultural and tropical products may raise total agricultural imports only slightly, producing a positive balance of U.S. agricultural trade of \$20.5 billion, up 11 percent from fiscal year 1983.

Commodity and regional market analyses supporting those projections are available in the latest issue of **Outlook for U.S. Agricultural Exports** (\$7.00 per year, 4 issues).

Foreign Agricultural Trade of the United States carries current data on the actual volume and value of U.S. agricultural exports and imports, by commodity and country (\$19.00 per year, 6 issues plus 2 annual supplements with calendar and fiscal year data). These

periodicals are available from the Superintendent of Documents. [See page 8 for ordering information.]

DEVELOPING COUNTRIES' DEBT DIMINISHES WORLD TRADE

Debt problems of the developing countries may severely constrain international trade and growth for at least the next 5 years. The accumulation of international debt by the developing world began after the first oil shock in 1973/74 when developed countries accommodated the first increases in oil prices by allowing international liquidity to increase accordingly. The recirculation of this liquidity led to the debt buildup. The current debt payment problem resulted from developed countries' policies that contracted money supplies in response to the second oil shock of 1979/80.

For more details, see **Trade and Growth of Developing Countries Under Financial Constraints**, ERS Staff Report No. 840519, by Mathew Shane and David Stallings, which is available from the National Technical Information Service for \$11.50 (paper) and \$4.50 (microfiche). [See page 8 for ordering information.]

REGIONAL REPORTS AVAILABLE

ERS annually publishes a comprehensive review of the agricultural situation and outlook in 11 world regions--North America and Oceania, U.S.S.R., China, East Asia, South Asia, Southeast Asia, Western Europe, Eastern Europe, Latin America, North Africa and the Middle East, and Sub-Saharan Africa.

Released between April and August, the reports analyze crop and livestock production, agricultural policies, and trade prospects. The reports are available from the Superintendent of Documents for \$18.00 for all 11, or they may be ordered individually at \$3.75 each. [See page 8 for ordering information.]

DSC Course, from p. 5.

group of researchers from all ERS divisions, the course emphasizes applications of Box-Jenkins and other basic time-series techniques. Jeremy Wu, Mathematical Statistician with USDA's Agricultural Marketing Service and Associate Professorial Lecturer at George Washington University, teaches the course.

This course is one of a continuing series of technical courses offered to ERS staff to maintain state-of-the-art skills. For more information, contact Data Services Center Deputy Director Robert Rovinsky, ERS/USDA, Room 106-GHI, Washington, DC 20250-1800 (202-447-5457).

REPORTS--A FREE PUBLICATION

Reports is the new title of ERS **Abstracts**, which lists newly released ERS publications. If you were receiving **ERS Abstracts**, you are on the mailing list for **Reports**. If not, send your name, institutional affiliation, and address to **Reports**, EMS/USDA, Room 1470-South, Washington, DC 20250-3500.

RELOCATION OF ERS HEADQUARTERS

The General Services Administration's (GSA) lease for Washington, D.C., space that ERS currently occupies expires on July 2. The owner, Group Hospitalization, Inc. (GHI), has indicated it will not renew or extend that lease. Consequently, ERS most likely will soon have to relocate its headquarters. GSA is looking for space as close as possible to USDA's D.C. headquarters complex.

While a move may cause some short term disruption, it can be an opportunity to improve the work environment of ERS employees, and thus improve the products and services provided by ERS. As soon as a new location is found, an announcement will be made in this **Newsletter**.

HOW TO ORDER ERS PUBLICATIONS...

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Information Service**

Order by title and NTIS stock number (or series number) from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161. You may pay by check to **NTIS** or charge your order to your VISA, MasterCard, American Express, or NTIS account. Charge orders are accepted by telephone (703-487-4780) weekdays from 7:45 a.m. to 5:00 p.m., eastern time.

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